GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2883
ANSWERED ON:07.12.2001
PROPOSALS FROM SINGAPORE CAPITAL MARKET
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Will the Minister of FINANCE be pleased to state:

(a) whether the Singapore`s capital market authorities have invited Indian companies to get listed on its stock exchange and also tap its money market;

(b) if so, whether the Government have considered Singapore`s proposal; and

(c) if so, the reaction of Government and Indian companies in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL)

(a): No, Sir.

As per existing regulations, listing of rupee shares of Indian companies on overseas stock exchanges is not permissible. As per current foreign investment policy ADR/GDR issues withfresh underlying shares require no prior approval of the Government if the foreign equity investment is within the prescribed limits. The issuers have to comply with Reserve Bank of India`sreporting requirements regarding issue details. The Indian ADR/GDR issuer companies have freedom to choose the overseasstock exchanges in which their issues would be listed. The choice of overseas stock exchange listing of GDRs isthe prerogative of the Indian issuer companies based on the marketability of their scrips. Currently the ADRs/GDRs of several Indian companies are listed in stock exchanges abroad.

(b) & (c): Question does not arise.